May, 1996

WEST VIRGINIA INFORMATIONAL LETTER

NO. 97

TO: ALL PROPERTY AND CASUALTY INSURERS LICENSED TO DO BUSINESS IN THE STATE OF WEST VIRGINIA

RE: AUTOMOTIVE CRASH PARTS

On June 7, 1995, Senate Bill 402 amending Chapter 46A, Article 6B of the West Virginia Code became effective. The purposes of this legislation are to (1) require motor vehicle body shops, prior to beginning repairs, to provide information to motor vehicle owners regarding the replacement crash parts the body shop intends to use in making repairs, and (2) prevent both motor vehicle body shops and insurance companies from requiring the use of aftermarket crash parts for repair unless the motor vehicle owner consents in writing at the time of the repair.

In order to maintain the manufacturers warranty for fit, finish, structural integrity, corrosion resistance, dent resistance and crash performance, this bill requires motor vehicle body shops to use genuine crash parts on all motor vehicles requiring repair in the year of their manufacture or in the two succeeding years thereafter, unless the motor vehicle owner consents in writing at the time of the repair to use aftermarket crash parts. Furthermore, unless the motor vehicle owner consents in writing at the time of the repair, insurance companies may not require the use of aftermarket crash parts when negotiating for repairs to the motor vehicle for a period of three years -- the year the motor vehicle was manufactured and the two succeeding years thereafter. This bill does not, however, address whether the manufacturers warranty will be maintained if damaged motor vehicles are repaired with used original equipment manufacturer (OEM) parts. Information obtained from the West Virginia Attorney Generals Office indicates that certain manufacturers will not warrant used OEM parts when used to repair damaged motor vehicles.

If you have any questions concerning this letter, please contact Jill Miles, Deputy Attorney General at (304) 558-8986 or John R. Davidson, Sr., Director of Consumer Services, Insurance Commissioners Office at (304) 558-3386.

Hanley C. Clark Insurance Commissioner